

CHAPTER 1207
RAILROAD PROPERTY
H.F. 2334

AN ACT relating to railroad property by providing that before a railroad corporation or trustee of a railroad corporation may sell real property adjacent to a railroad right-of-way, the corporation or trustee must offer to sell that property at fair market value to persons holding leases, licenses, or permits upon that property, by providing that real property received by the railroad for the purpose of aiding in the construction, maintenance, and continued operation of its railway shall only be held as long as it is used for those purposes, by providing for the handling of disagreements between owners, lessees, or licensees of certain buildings or other improvements on present or former railroad property and a railroad's grantee or successor in interest, by providing that the value of property of a railway corporation which has been declared bankrupt or is in bankruptcy proceedings is not part of the tax base of the taxing district only for purposes of computing the levy rate and the amount to be received from the foundation property tax levy, and making it effective upon publication.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 327E.1, Code 1981, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Any such railway corporation may take and hold voluntary grants of real estate and other property as are made to it to aid in the construction, maintenance, and continued operation of its railway. However, all real estate so received shall be held only as long as the real estate is used for the construction, maintenance, and continued operation of a railway.

Sec. 2. Section 327G.62, Code 1981, as amended by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 22, section 22, is amended to read as follows:

327G.62 BUILDINGS OR OTHER IMPROVEMENTS ON RAILROAD LANDS. When a disagreement arises between a railroad corporation, its grantee, or successor in interest and the owner, lessee, or licensee of any building or other improvement, including trackage, used for receiving, storing, transporting, or manufacturing any article of commerce transported or to be transported, situated on ~~the a~~ a present or former railroad right of way right-of-way or any land owned or controlled by the railroad corporation ~~for railroad purposes, its grantee, or successor in interest~~, as to the terms and conditions on which the same is to be continued thereon or removed therefrom, ~~such~~ the railway corporation, its grantee, or successor in interest or person owner, lessee, or licensee may make written application to the authority and the authority shall hear and determine ~~such~~ the controversy and make ~~such an order in relation thereto~~ an order as shall be just and equitable between the parties, which order shall be enforced in the same manner as other orders of the authority.

Sec. 3. Chapter 327G, Code 1981, is amended by adding the following new sections as sections 327G.78 and 327G.79:

NEW SECTION. 327G.78 SALE OF RAILROAD PROPERTY. Subject to sections 327G.77, 471.16, and 471.17, when a railroad corporation, its trustee, or successor in interest

have interests in real property adjacent to a railroad right-of-way that are abandoned by order of the interstate commerce commission, reorganization court, bankruptcy court, or the authority or are otherwise abandoned as defined by section 471.15, or when a railroad corporation, trustee, or successor in interest seeks to sell its interests in that property under any other circumstance, the railroad corporation or trustee shall extend a written offer to sell at a fair market value price to the persons holding leases, licenses, or permits upon those properties, allowing sixty days from the time of receipt for a written response. If a disagreement arises between the parties concerning the price or other terms of the sale transaction, either or both parties may make written application to the authority to resolve the disagreement. The application shall be made within sixty days from the time an initial written response is served upon the railroad corporation, trustee, or successor in interest by the person wishing to purchase the property. The authority shall hear the controversy and make a final determination of the fair market value of the property and the other terms of the transaction which were in dispute within ninety days after the application is filed. All correspondence shall be by certified mail.

The decision of the authority shall be binding on the parties, except that a person who seeks to purchase such real property may withdraw the offer to purchase within thirty days of the authority's decision. If such a withdrawal is made, the railroad corporation, trustee, or successor in interest may sell or dispose of the real property without further order of the authority.

NEW SECTION. 327G.79 VALUING RAIL PROPERTY. The authority's determination and order shall be just and equitable and in the case of the determination of the fair market value of the property, shall be based in part upon at least three independent appraisals prepared by certified appraisers. Each party shall select one appraiser and each appraisal shall be paid for by the party for whom the appraisal is prepared. The two appraisers shall select a third appraiser and the costs of this appraisal shall be divided equally between the parties. If the appraisers selected by the parties cannot agree on selection of a third appraiser, the authority shall appoint a third appraiser and the costs of this appraisal shall be divided equally between the parties.

The authority's determination and order shall be final for the purpose of administrative review to the district court as provided in chapter 17A. The district court's scope of review shall be confined to whether there is substantial evidence to support the authority's determination and order.

For purposes of this section and section 327G.78, "authority" means the transportation regulation authority.

Sec. 4. Section 442.2, Code 1981, is amended by adding the following new subsection:

NEW SUBSECTION. For purposes of section 442.1, the "amount per pupil of foundation property tax" and the "money raised by the foundation property tax" do not include the tax levied under subsection 1 on the property of a railway corporation or its trustee which corporation has been declared bankrupt or is in bankruptcy proceedings.

Sec. 5. Section 444.3, unnumbered paragraph 1, Code 1981, is amended to read as follows:

When the valuations for the several taxing districts shall have been adjusted by the several boards for the current year, the county auditor shall thereupon apply such a rate, not exceeding the rate authorized by law, as will raise the amount required for such taxing district, and no larger amount. For purposes of computing the rate under this section, the adjusted taxable valuation of the property of a taxing district does not include the valuation of property of a railway corporation or its trustee which corporation has been declared bankrupt or is in bankruptcy proceedings. Nothing in the preceding sentence exempts the property of such railway corporation or its trustee from taxation and the rate computed under this section shall be levied on the taxable property of such railway corporation or its trustee.

Sec. 6. Sections 4 and 5 of this Act are effective for fiscal years beginning on or after July 1, 1983.

Sec. 7. This Act, being deemed of immediate importance, takes effect from and after its publication in The Red Oak Express, a newspaper published in Red Oak, Iowa, and in the Carroll Daily Times-Herald, a newspaper published in Carroll, Iowa.

Approved May 21, 1982

I hereby certify that the foregoing Act, House File 2334 was published in The Red Oak Express, Red Oak, Iowa on May 28, 1982 and in the Carroll Daily Times-Herald, Carroll, Iowa on May 26, 1982.

MARY JANE ODELL, *Secretary of State*

CHAPTER 1208

REVENUE BONDS TO FINANCE GRAIN AND SOYBEAN STORAGE FACILITIES

S.F. 2312

AN ACT authorizing cities and counties to issue revenue bonds to finance the acquisition of grain and soybean storage facilities and making it effective upon publication.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Chapter 419, Code 1981, is amended by adding the following new section:

NEW SECTION. In order to provide greater sources of financing and to encourage an increase in the capacity of grain and soybean storage facilities within the state, cities and counties may issue revenue bonds, to be originally purchased by financial institutions or other bond purchasers which are located within the city or county issuing the bonds, to finance the acquisition of grain and soybean storage facilities which may be located anywhere within the state. The revenue bonds shall be issued pursuant to this chapter and all provisions of this chapter shall apply except that the term "project" as defined in section 419.1 includes on-farm grain and soybean storage facilities, which facilities may include the grain or soybean drying and aerating equipment, and the project need not be located within the city or county issuing the revenue bonds.

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in the Eldora Herald-Ledger, a newspaper published in Eldora, Iowa, and in The Fairfield Ledger, Inc., a newspaper published in Fairfield, Iowa.

Approved May 11, 1982

I hereby certify that the foregoing Act, Senate File 2312 was published in the Eldora Herald-Ledger, Eldora, Iowa on May 18, 1982 and in The Fairfield Daily Ledger, Inc., Fairfield, Iowa on May 24, 1982.

Pursuant to the authority vested in the undersigned, Secretary of State of Iowa, under the provisions of Section 3.9, Code of Iowa, 1981, there being no newspaper by the name of The Fairfield Ledger, Inc., published in Fairfield, Iowa, I hereby designate the corporate name of The Fairfield Daily Ledger, Inc., published in Fairfield, Iowa to publish the foregoing Act, Senate File 2312.

MARY JANE ODELL, *Secretary of State*